

Paris, 18th May 2026

Hospitality: Covivio continues its expansion in Southern Europe with a new acquisition in Torremolinos, Spain

Covivio announces the acquisition, through its subsidiary Covivio Hotels, of a hotel with a total of 440 rooms in Torremolinos, Spain. This transaction, backed by a 20-year lease agreement, is fully in line with the group's strategy to strengthen its position in the hotel sector, and more specifically in the buoyant Southern European market.

Heading for the Costa del Sol with a first establishment in Torremolinos

Covivio has finalised the acquisition of a 3-star hotel, operated by the Spanish hotel company FERGUS Group via its *tent Hotels* brand, in Torremolinos, southern Spain.

Located at the heart of one of Spain's leading leisure destinations, the hotel benefits from the strong momentum of Torremolinos, which recorded 5.4 million overnight stays in 2025 (+17% vs. 2015). Supported by a year-round sunny climate (around 300 days of sunshine) and a rich cultural offering across Torremolinos and its wider catchment area, the destination enjoys limited seasonality.

The hotel's location is particularly strategic: close to Torremolinos beach and town centre, it lies between Málaga and Marbella, just 6.4 km from Málaga Airport, Spain's fourth-busiest airport with 26,8 million passengers in 2025.

The property, which underwent refurbishment in 2023, comprises 440 rooms across a total area of approximately 22,900 m², and offers numerous facilities including a lobby with a bar, a digital check in area, a book corner, working spaces, a restaurant, a coffee corner, a swimming pool with a sunbathing area and a bar, and a gym. The hotel also features two commercial premises representing additional revenue potential.

The investment amounts to €43,5 million^[1]. Covivio has signed a 20-year fixed-term lease agreement with FERGUS Group, yielding a guaranteed minimum rental yield of 7.1% and a target yield, including variable rent, of over 8%.

From an environmental perspective, the hotel will be aligned with the CRREM 2030 (Carbon Risk Real Estate Monitor) trajectory. The installation of a Building Management System will enable the optimisation of energy consumption and the effective management of the property's environmental performance. Finally, under the contract with Covivio Hotels, the operator has

^[1] 24 M€ group's share

committed to obtaining a recognised certification, such as Green Key, and keep improving its environmental performance, including by reducing the property's carbon footprint.

Spain, a destination with one of the highest growth rates in Southern Europe

Spain is establishing itself as one of Europe's most attractive destinations, with nearly 96,8 million international visitors in 2025. Over the past ten years, the country has experienced sustained growth in international tourism, confirming its position among Europe's leaders. The Spanish hotel sector records a high average occupancy rate (around 74% in 2024), confirming the market's vitality.

Within this favourable context, Torremolinos emerges as a flagship Costa del Sol destination, driven by strong international demand (+80% of overnight stays in 2025). The market therefore presents compelling strategic potential, combining robust operating fundamentals with long-term growth visibility.

"This acquisition, which follows our recent transactions in Porto and Milan, illustrates Covivio's strengthening position in the hotel sector, and more specifically in Southern Europe. We are targeting high-potential assets located in dynamic leisure destinations where we aim to create long-term value. This deal also launches a new partnership with one of Spain's top hotel operators, opening new growth opportunities in the local market.", concludes **Tugdual Millet, CEO Hotels, Covivio.**



[>> Download photos of the hotel here <<](#)

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ABOUT COVIVIO

Thanks to its partnering history, its real estate expertise and its European culture, Covivio is inventing today's user experience and designing tomorrow's city.

A preferred real estate player at the European level, Covivio is close to its end users, capturing their aspirations, combining work, travel, living, and co-inventing vibrant spaces.

A benchmark in the European real estate market with €23.7 bn in assets, Covivio offers support to companies, hotel brands and territories in their pursuit for attractiveness, transformation and responsible performance.

Build sustainable relationships and well-being, is the Covivio's Purpose who expresses its role as a responsible real estate operator to all its stakeholders: customers, shareholders and financial partners, internal teams, local authorities but also to future generations and the planet. Furthermore, its living, dynamic approach opens up exciting project and career prospects for its teams.

Covivio's shares are listed in the Euronext Paris A compartment (FR0000064578 - COV), are admitted to trading on the SRD, and are included in the composition of the MSCI, SBF 120, Euronext IEIF "SIIC France" and CAC Mid100 indices, in the "EPRA" and "GPR 250" benchmark European real estate indices, and in the ESG FTSE4 Good, DJSI World & Europe, Euronext (Sustainable World 120, Sustainable Euro 120, CDP Environment ESG France EW, SBF Top 50 ESG, SBT 1.5°), Stoxx ESG, Ethibel and Gaïa, and has received recognition and ratings from EPRA BPRs Gold Awards (financial reporting and sustainable development), CSA S&P (top 10%), CDP (A), GRESB (91/100, 5-Star, 100% public disclosure), ISS-ESG (B) and MSCI (AAA).

Notations solicited:

Financial part: BBB+ / Stable outlook by Standard and Poor's